

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 8220**

**BILL NUMBER:** HB 2069

**DATE PREPARED:** Jan 25, 1999

**BILL AMENDED:**

**SUBJECT:** Public computers accessible to minors.

**FISCAL ANALYST:** Mark Goodpaster

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**FUNDS AFFECTED:**     **GENERAL**  
                              **X DEDICATED**  
                              **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires a school corporation or a public library that provides computer access to minors with the ability to connect to a computer communication system to: (1) equip the computer with software that will limit the ability of a minor to gain access to materials inappropriate for minors; or (2) purchase Internet connectivity from an Internet service provider that provides filter services to limit access to materials inappropriate for minors. It requires a library board or the governing body of a school corporation to hold an annual public meeting to determine how the public library or school corporation will comply with the requirements and to determine what materials are considered inappropriate for minors. It requires the governing body or library board to determine what materials are inappropriate for minors to reflect the community's standards as evidenced during the meeting. It provides that a school corporation or a public library may request a grant from the Indiana Technology Fund to pay for the costs of purchasing software or purchase Internet connectivity to comply with the requirements of the statute. It requires the request to be approved and the grant to be paid. The Indiana State Library administers these funds.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** The grants would come from two statutory appropriations that are used to fund public libraries and school corporations for computer improvements.

For FY 1998 and FY 1999, respectively, \$22,000,000 was appropriated to the Indiana Technology Fund from the Build Indiana Fund for a total of \$44,000,000. Of that amount, \$ 4M was allocated to the State Backbone project; \$4 M was allocated for the Library and Historical Board (including the INSPIRE project); \$6 M was allocated for the INTELENET Commission; and \$30 M was allocated for the Technology Plan Grant program.

This bill would allow public libraries and school corporations to apply for grants from the Indiana Technology Fund for the purposes of this bill.

Under current law, money in the Indiana Technology Fund at the end of a state biennium reverts to the Build Indiana Fund. The provisions of this bill could reduce such reversions to the Build Indiana Fund.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Many school corporations already employ internet filtering devices on computers that are internet accessible and are used by students. Several school corporations also report that internet filtering has been a discussion item at a school board meeting. There are 294 school corporations statewide. This portion of the fiscal note will be updated once this additional information is available.

Information concerning internet capability of public libraries is not currently available. There are 283 libraries statewide.

**Explanation of Local Revenues:**

**State Agencies Affected:** State Budget Agency

**Local Agencies Affected:** School corporations and Public Libraries

**Information Sources:** School corporations responding to LSA request for information on internet filtering